

Investment education

Diversifying stocks and bonds with private investments

The key to diversification isn't how many investments you own, it's how different they are. Stocks and bonds alone may not be enough to fully diversify portfolios, especially with both markets rising and falling at the same times in recent years. Private investments are historically less sensitive to the factors driving traditional markets, so they can bring added diversification to your wealth management plan. Examples include commercial and residential real estate, infrastructure projects like data centers, equity interest in privately held companies, and direct lending to businesses.

Diversify stock investments with:



Real Estate



Infrastructure



Bonds



Private credit



Private equity

← GREATER DIVERSIFICATION ————— LESS DIVERSIFICATION →

Diversify bond investments with:



Real Estate



Infrastructure



Private credit



Private equity



Stocks

Source: Based on correlation analysis from Bloomberg S&P 500 Total Return Index, NFI-ODCE (Gross, Value Weighted) Index. Data from Q3 2006 to Q3 2024. Indices are unmanaged and do not take into account fees, expenses, and transaction costs and it is not possible to invest in an index.

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Put private investments to work toward your goals

Real estate and private markets aren't just for diversifying portfolios. You can also use them to pursue important life goals like potentially generating income and growing wealth




Real Estate

Investing in commercial, residential, and other income-generating properties

INCOME POTENTIAL:
⊖ ⊕ Moderate-high

GROWTH POTENTIAL:
⊖ ⊕ Moderate-high




Infrastructure

Financing essential public projects like utilities, data centers, and airports

INCOME POTENTIAL:
⊕ High

GROWTH POTENTIAL:
⊖ Moderate




Private credit

Privately issued loans that can be secured by companies or hard assets

INCOME POTENTIAL:
⊕ ⊕ Very high

GROWTH POTENTIAL:
⊗ ⊖ Low-moderate



Private equity

Taking ownership positions in companies not traded on public stock exchanges

INCOME POTENTIAL:
⊗ Low

GROWTH POTENTIAL:
⊕ ⊕ Very high

Ready to take action?

Talk to your financial professional. Together, you can determine which private investments might be right for your portfolio.

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